

House District 44/45

Senate District 21

**THE TWENTY-FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 239-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST :
AND PROGRAM I.D. NO.

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Waianae District Comprehensive Health and Hospital Board, Inc.
Dba: **Waianae Coast Comprehensive Health Center**

Street Address: **86-260 Farrington Hwy.**
Waianae, HI 96792
Mailing Address: **same as above**

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name: RICHARD P. BETTINI

Title Chief Executive Officer

Phone # 696-1457

Fax # 696-7093

e-mail wcchc@wcchc.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID: _____

5. STATE TAX ID: _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

CIP FUNDS FOR REBUILD/RENOVATION OF 30+ YEAR OLD OUTPATIENT CLINIC – PHASE II

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$2,500,000

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$3,946,000

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

RICHARD P. BETTINI, MPH, MA
NAME & TITLE

1/28/08
DATE SIGNED

APPLICATION FOR GRANTS AND SUBSIDIES

I. Background and Summary

Applicant's Background

Founded in 1972, the Waianae Coast Comprehensive Health Center serves the federally designated medically underserved communities on the Waianae Coast and surrounding communities in the Leeward and Central regions on the island of Oahu.

In 2006, the Health Center provided services to 26,936 individuals through 139,210 encounters. Sixty-two percent (62%) of users were below 100% of the federal poverty level; 18% were uninsured; and Medicaid/QUEST covered 48%. Seventy-six percent (76%) of Health Center users are Asian/Pacific Islanders, with 51% being Native Hawaiian.

Programs of the Health Center have been designed around an integrated model of care in which the Health Center serves as a patient's medical home. Services are governed by a community board comprised of elected consumers and appointed business and community leaders. The Health Center is not only the largest safety net healthcare provider in Leeward Oahu, it is also one of the areas top 5 private employers. The Health Center's Board of Directors recognizes the correlation between economic development (jobs) and the health status of its community.

Services are provided through five clinic sites located on the Waianae Coast, and in Kapolei and Waipahu. The range of services provided by the Health Center include: Primary care (family practice, pediatrics, internal medicine); Emergent care (24 hrs); Specialty care (orthopedics, podiatry, dermatology, OB-GYN, nephrology, perinatology, general surgery, pain management and ophthalmology); Laboratory (24 hrs); Radiology (24 hrs); Dental; Pharmacy; Preventive health/health education; Medical Nutrition Therapy/WIC; Case management and homeless outreach; Chronic disease management; Native Hawaiian healing; Integrative/Alternative medicine; Lifestyle enhancement; Adult day care (3 sites); Behavioral health (mental health and substance abuse treatment); Transportation; Health career training; Health professional training; and Healthy Dining Restaurant services.

Goals and Objectives of Request

Several years ago, an internal assessment of existing clinic space showed that the Health Center has a critical need to expand its facilities - providers and medical teams are operating in crowded clinic spaces, facilities are 30+ years old requiring numerous and costly repairs, patient waiting areas are often uncomfortably filled to capacity, and the patient visit count increases substantially annually. To address the dire need for expanded and new facilities, the Health Center identified three phases of construction projects.

Phase I: Build a new 3-story medical building to address immediate needs of overcrowded primary care clinical space. (to be completed Summer 2008)

- Phase II: Rebuild and/or renovate the 30+ year old vacated medical clinic space. (in planning stage)
- Phase III: Rebuild and/or renovate the Health Center's 30+ year old emergency department facility. (in planning stage)

The Health Center's three-phase capital improvement program will serve the following overall purpose:

- Upgrade and expand family medicine
- Develop and modernize emergency medical services
- Build teaching and training facilities for Waianae economic development purposes

In order to complete the capital improvements program, the Health Center is requesting \$2,500,000 in state capital improvement project funding to complete the Phase II rebuilding and/or renovations of its existing 30+ year old primary care facilities to accommodate both comprehensive healthcare services and professional medical training requirements.

In 2007 the Health Center requested a State appropriation of \$3.5 million to complete its current Phase II capital project, which represents about 53% of the total project cost. The legislature funded \$1 million of this request. The Health Center is seeking the \$2.5 million balance to be funded in 2008.

Without the balance of funding, the Health Center will not be able to achieve the long range outcome which is to improve medical care and increase economic development opportunities for the community. Capital funding is needed to build our facilities which incorporate training programs.

Previous to the current request, an appropriation of \$2,946,000 was awarded by the Legislature in 2005 for Phase II but several factors contributed to the urgency to seek additional State CIP funds for the project in 2007. These include:

- Increased construction costs in Hawaii.
- The downsizing of Phase I of the Health Center's building project, due to cost constraints, and the transfer of the lost square footage (7,000 sq. ft.) to Phase II
- New opportunities to expand training and economic development programs.
- Increased demand for services from the growing population on the Waianae Coast (homeless, new housing developments, etc.)

The total cost of the Phase II project is \$6.5 million. The anticipated completion date of the project is August 2010.

Once the functions of the existing clinics are moved to the Phase I (3-story building), scheduled for summer 2008, the vacated outpatient clinic will begin the process of rebuilding and/or renovating to accommodate a larger Phase II family medicine clinic.

Renovation and/or rebuilding of the Phase II out-patient clinic will improve efficiency in servicing clients, will address the severe lack of space for clinical services and patient waiting areas, will allow the Health Center to conform to ADA requirements established subsequent to construction of the building, and will respond to the physical plant needs with the adoption of new technology into the delivery of health care over the past 30 years. Introduction of the computer, fax machines, copiers, Electronic Medical Records, and changes in medical equipment used in the delivery of out-patient services has had a tremendous impact on the space needs, electrical infrastructure, facility cooling needs, ergonomic considerations and other physical plant and work place environment. Renovations will also address needed roofing repairs, replacement of original AC ducts and redesign of the clinic layout.

Funding Summary:

	FY 2005-06 State Appropriation	FY 2007-08 State Appropriation (requested \$3,500,000)	FY 2008-09 Request to State	Total Project
Design	\$ 446,000			\$ 446,000
Construction	2,500,000	\$1,000,000	\$2,500,000	6,000,000
Total	\$2,946,000	\$1,000,000	\$2,500,000	\$6,446,000

Public Purpose and Need to Be Served

The Health Center's mission is "to make available to all residents of the Waianae District complete comprehensive health and related human services". The Health Center achieves its mission by not only serving patients who seek services, but also by incorporating the goal of improving the overall health status of the community it serves.

Within the past 20 years, the Health Center's patient base has increased dramatically. The Health Center is also challenged with serving an increasing number of patients, many who are uninsured and homeless and many who present with multiple chronic conditions.

The Health Center has also been committed to creating a campus environment that integrates primary healthcare with job training and economic development for the Waianae Coast. It is the Health Center's belief that improving the economic conditions of individuals/families has a direct correlation to improving their personal health.

In addition to building clinical facilities in response to growing needs on Leeward Oahu, the Health Center has made significant progress in attracting educational institutions to the Waianae Coast. This factor will enhance the potential for economic development and job growth for Waianae residents. The current status of training and education programs includes:

ORGANIZATION	STATUS	IMPACT
Waianae Health Academy	Expanding classes from current site at Leeward Community College – Waianae annex to main campus of Health Center	1,000 Leeward residents have been trained
Robert Wood Johnson Foundation	Funding on the job training for Health Center employees, which will include earning college credit. (Employee training designed for graduated competencies which is being put in place for all employees. Salary upgrades to occur upon completion of competencies)	Job and salary growth for Waianae residents employed by the Health Center
A.T. Still University Medical School	Health Center selected as a site for a new medical school training hub by accredited Mesa, Arizona medical school.	Up to 30 students a year from Hawaii and the Pacific to be educated as physicians
Tripler Army Medical Center & Argosy University	Health Center is Tripler's main training site for Native Hawaiian psychology residents	15 psychology students to be assigned annually to Health Center
University of Hawaii	Preliminary discussion held regarding sub-lease to place University & community college courses on Health Center campus	Could provide pre-professions training for Waianae students
Native Hawaiian Health Center	Partnership with Kapiolani Community College – Traditional Healing & Education	Will facilitate teaching of cultural and traditional practices to students
Malama Recovery Building	Partnership with West Oahu College to include teaching component	Will be a practicum training site for West Oahu College for substance abuse treatment component in the Integrated Health Model
Innovation and Design Center	Health Center training program in health information technology, quality and performance	Research and evaluation integrative model

Target Population

The Waianae Coast community structure is largely multigenerational Native Hawaiian and other Pacific Islander families, with a population of 42,323 (Census 2000). With the rapid development of additional Hawaiian Homestead lots, low-income housing units and private development, the population continues to grow. The State estimates that the population of the Waianae Coast will soar to 51,000 by the year 2030.

The Waianae Coast continues to rank as an area in dire need of health, economic, and social services support. Based on the 2005 State of Hawaii Primary Care Needs Assessment Data Book, which compares 28 primary care service areas throughout the State, the Waianae Coast ranks highest on the island of Oahu for those at less than 100% and 200% of poverty level; households receiving food stamps and financial aid; unemployment; infant mortality; teen births; chronic disease mortality; percentage of obese adults; percentage of adult smokers; chronic heart disease mortality; and percentage of adults with diabetes. The conditions seen in the primary care clinics and emergency room mirror that of the health conditions in the community. The Waianae Coast also has the lowest per capita income on the island of Oahu.

In 2006, the Health Center provided services to 26,936 individuals through 139,210 encounters. Sixty-two percent (62%) of users were below 100% of the federal poverty level; 18% were uninsured; and Medicaid/QUEST covered 48%. Seventy-six percent (76%) of Health Center users are Asian/Pacific Islanders, with 51% being Native Hawaiian.

Geographic Coverage

The Health Center's geographic coverage includes Leeward and Central Oahu but the main Health Center primarily serves residents of the Waianae Coast.

II. Service Summary and Outcomes

Scope of Work, Tasks and Responsibilities

The Health Center is requesting \$2,500,000 in State capital improvement project funding to complete the Phase II rebuilding and/or renovations of its existing 30+ year old primary care facilities to accommodate both comprehensive healthcare services and professional medical training requirements.

Projected Timeline

Phase I (three-story building) is scheduled for completion and occupancy by the end of summer 2008. This will free up the outpatient area for Phase II rebuilding/renovations. The anticipated completion timeline for the Phase II outpatient clinics is August 2010. Plans are currently being designed.

Quality Assurance and Evaluation Plans

The Health Center's assistant director in charge of facilities will work closely with the construction and engineering/architectural firms to ensure that the requested rebuilding

and renovations meet city building code requirements, including federal ADA compliance.

Measures of Effectiveness

The measures of effectiveness will be the completion of construction of the Phase II outpatient clinic, which is anticipated for August 2010.

III. Financial

Budget

See budget form in Attachment A: Capital Project Details

Anticipated Quarterly Funding Requirements

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$625,000	\$625,000	\$625,000	\$625,000	\$2,500,000

II. Experience and Capability

A. Necessary Skills and Experience

In service to the community for 35 years, the Health Center has evolved a unique model of integrated health care that addresses not only an individual's health care needs, but that of the family and the community. Governed through a community-based board of directors, the Health Center is committed to preserve its mission within the managed care environment by continuing to seek out and support high risk patients, by providing a safety net for all patients, regardless of their ability to pay, and by focusing on holistic, culturally relevant health care.

Besides being the largest non-profit service provider in the State for the past two years (January 2006 and January 2007: Pacific Business News), the Health Center is the 5th largest private employer in Leeward Oahu. The main Health Center and two of four satellite clinics are located on the Waianae Coast. Two other satellite clinics are located in Kapolei and Waipahu.

The growth of both the physical and program aspects of the Health Center over the past 35 years demonstrates the Health Center's experience and ability to plan and manage financial resources and capital development activities. The Health Center has managed a number of large capital development projects over the years. Recent efforts include building of a lab and dental facility and numerous renovations and expansions of its facilities and clinics, including the recent Dining Pavilion, the soon to be completed three-story medical and training center, and the Integrative Medicine and Traditional Hawaiian Healing Center.

B. Facilities

The Health Center's 15+acre campus is situated on state and Hawaiian Home Land parcels centrally located on the Waianae Coast. Permanent structures have been

constructed or renovated through funding support from the state and private foundations. The Health Center's main upper campus is located on state land managed by the Department of Land and Natural Resources. Health Center buildings are included in a long-term lease agreement with the state.

The upper campus houses primary care clinics, a specialty clinic, a 24-hour emergency room, radiology, laboratory, pharmacy, as well as a dental clinic, integrated healing, case management, outreach, a dining facility, administrative and information technology services. Located at the lower campus of the main center are adult day care services, the Women, Infant and Children (WIC) program, nutrition and health education services, health professional education, and Native Hawaiian traditional healing services. Satellite primary care clinics are located in the Nanakuli Shopping Center, the Waianae Mall, the FilCom Center in Waipahu, and in Kapolei. ADA guidelines are followed on all construction activities.

Within the past 20 years, the population on the Waianae Coast increased dramatically. With this increase, demand for health and social services also increased. The current facilities were designed to serve a smaller Waianae population. The Health Center is in dire need of renovating its existing facilities to respond to an expanding patient population.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

Not applicable.

B. Organization Chart

See Attachment B.

VI. Other

A. Litigation

None

B. Licensure or Accreditation

Not applicable.

ATTACHMENT A

~~CONFIDENTIAL~~

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2008 to June 30, 2009)

: Waianae Coast Comprehensive Health Center

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	2,500,000			
TOTAL (A+B+C+D+E)	2,500,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	2,500,000	Joseph Adriano, Comptroller 696-7722		
(b)		Name (Please type or print) _____ Phone/		
(c)		Signature of Authorized Official <i>Richard P. Bettini</i> Date <i>1/28/08</i>		
(d)		Signature of Authorized Official <i>Director FOR</i> Date		
TOTAL REVENUE	2,500,000	Richard P. Bettini, Chief Executive Officer		
		Name and Title (Please type or print)		

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: Waianae Coast Comprehensive Hea

Period: July 1, 2008 to June 30, 2009

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ANY OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS			STATE FUNDS REQUESTED		FUNDING REQUIRED IN SUCCEEDING YEARS
	FY: 2005-2006	FY: 2006-2007	FY: 2007-2008	FY: 2008-2009	FY: 2009-2010	FY: 2010-2011
PLANS						
LAND ACQUISITION						
DESIGN	446000					
CONSTRUCTION	2500000		1000000	2500000		
EQUIPMENT						
TOTAL:	2946000		1,000,000	2500000		
JUSTIFICATION/COMMENTS:						
1Of the \$3,500,000 requested in FY 2007/2008, \$1,000,000 was awarded by the 2007 Legislature.						

ATTACHMENT B

WAIANAEO COAST COMPREHENSIVE HEALTH CENTER ORGANIZATIONAL CHART

OUR PATIENTS

BOARD OF DIRECTORS

Chief Executive Officer
Richard Bettini

Human Resources
Patricia Hall

Compliance and Risk Management
Milo Huempfer

Assistant Director
Marianne Glushenko

- Facilities**
- Facilities
 - Housekeeping
 - Security
 - Groundskeeping
- Internal Auditing**

Director of Quality & Performance
Mary Oneha

- Community Health Services**
- Perinatal
 - Case Management
 - Homeless
 - Transportation
 - Patient Assistance
 - Telecommunications
- Chief Information Officer**
John Williams
- Information Systems
 - Electronic Health Record/Medical Informatics
 - Website Management
- Research**
- Quality Audits**

Associate Director
Joyce O'Brien

- Administrative Support Services**
- Office of Employee Relations**
- Fund Development**
- Training Programs**
- Waianaeo Health Academy
 - Ho'olokahi
- Women, Infant and Children**
- Preventive Health**
- Health Education
 - Chronic Disease Management
 - Wellness
- Social Services**
- Adult Day Care
 - ~ Mali Ola
 - ~ Hale Koko'o
 - ~ Pearl City Hale
- Native Hawaiian Healing**

Medical Director
Ric Custodio, MD

- Associate Medical Directors**
Vija Sehgal, MD
Stephen Bradley, MD
- Emergency Services**
Bob Bonham, MD
- Director of Clinic Operations**
Matthew Whaley
- **Clinic Operations**
- Primary Care**
- Family Practice
 - Internal Medicine
 - Pediatrics
 - Women's Health
- Emergency Services**
- Specialty Services**
- Ancillary Services**
- Laboratory
 - Radiology
- Other Health Services**
- Behavioral Health
 - Substance Abuse Treatment
 - Dental

Chief Financial Officer
James Chen

- Director of Business Services**
Virna Cheung
- Budget & Finance**
- Pharmacy**
- Accounting**
- Purchasing
- Patient Financial**
- Central Reception
 - Credit/Collections
- Grants & Contracts

Leadership Team
Rev. 12-2007



Waianaeo Coast
Comprehensive Health Center
Since 1972
www.wcchc.com

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:


- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Waianae District Comprehensive Health and Hospital Board, Incorporated dba
Waianae Coast Comprehensive Health Center
(Typed Name of Individual or Organization)

 Associate Director FOR
(Signature)

Richard P. Bettini, MPH, MA
(Typed Name)

January 28, 2008
(Date)
Chief Executive Officer
(Title)